



# Louisiana Housing Finance Agency

The following resolution was offered by Commissioner Donald B. Vallee and seconded by Commissioner Katie Anderson:

## RESOLUTION

**A resolution conditionally authorizing the removal of the General Partner, Olsen Securities Corporation, (OSC), from The Meadows, #07/08(FA)-37, (Intersection of McNeese & 5<sup>th</sup> Avenue, Lake Charles, Louisiana 70606) as stipulated in the 2006 and 2007/2008 forward allocation GO-Zone QAP by Louisiana Housing Finance Agency (the "Agency" or "LHFA") with respect to project's submitting a request for such removal of the managing General Partnership, extending the placed in service date, and providing for other matters in connection therewith.**

**WHEREAS**, the Louisiana Housing Finance Agency has been ordered and directed to act on behalf of the State of Louisiana (the "State") in applying for, implementing, allocating or administering programs, grants and/or resources made available pursuant to Section 42 of the Internal Revenue Code (the "LIHTC Program"); and

**WHEREAS**, the staff of the LHFA has received a request from the construction lender and tax credit investor to approve the removal of the General Partner evidenced in the original Tax Credit Application (the "Original Application") of the taxpayer/owner of The Meadows, #07/08(FA)-37, which is located at Intersection of McNeese and 5<sup>th</sup> Avenue, Lake Charles, Louisiana 70606; and

**WHEREAS**, approval of removal of the General Partner identified in the original application to allow a new General Partner would otherwise constitute a material change, except that the Governor's Office of Community Development (the "OCD") has communicated a continued commitment to the project; and

**WHEREAS**, the approval of the change in the managing partner with the concurrence and approval of OCD is to permit The Meadows (#07/08(FA)-37) to be completed and to provide the needed affordable housing in one of OCD's priority parishes but that the approval of such removal shall not stand as precedent for any change in the future since this change is solely the result of OCD's infusion of substantial amounts of Community Development Block Grant (the "CDBG") Funds; and

**WHEREAS**, the Agency has received a favorable feasibility and viability analysis of the project's reprocessing application, and

**WHEREAS**, OCD has reviewed the resumes of the co-developers, and has determined that it will accept the co-developers within the definition of "substantial developer", subject to sufficient contractual language regarding Mr. Peralta's involvement in the developer arrangement, disclosure of to whom the developer fee is being paid, and subject to no future changes of control of the co-developer arrangement, and

**WHEREAS**, staff has reviewed the request to substitute a new General Partner and is conditionally recommending approval of the request for the removal of the current General Partner, Olsen Securities Corporation to be replaced by Meadows Partnership II, L.L.C., subject to the following conditions being satisfied or Agency Staff or Counsel finding equivalent :

A) Submission of satisfactory evidence of a surety sufficient to guaranty the completion of the project as evidenced in a new LIHTC reprocessing application;

B) Submission of a guaranty of OCD's CDBG loan by key principals with sufficient net assets and liquidity to pay back any advance of CDBG funds to OCD in the event that the construction of the project is not completed;

C) Receipt of an acknowledgement and agreement by the construction contractor that the project will be completed within the construction budget evidenced in the reprocessing application and within the specified timeline in the application;

D) Submission of a payment and performance bond from the general contractor satisfactory to LRA/OCD and LHFA;

E) Receipt of a report by an independent third party construction consultant retained by LHFA at the developer's expense that the estimate and certificate of actual costs and/or schedule of values is fair, reasonable and consistent with the costs of constructing similar projects within the geographic market of this project;

F) Receipt of written approval from OCD that the proposed developer meets the definition of "substantial developer";

G) Receipt of an acknowledgment and agreement of the Olsen Securities Corporation as the general partner identified in the Original Application of its removal from the taxpayer/owner entity and a satisfactory hold harmless agreement from Olsen Securities Corporation with respect to the LHFA's concurrence in its removal as General Partner;

H) Receipt (i) from Olsen Security Corporation of a certificate executed under penalties of perjury with respect to all consideration received by Olsen Security Corporation or to persons related to or having an identity of interest with Olsen Securities Corporation in connection with the Original Application and development of

The Meadows and that Olsen Security Corporation has no agreement, written or otherwise, providing any compensation and/or consideration in connection with its removal as General Partner and (ii) from the new General Partner and the taxpayer/owner of The Meadows that no compensation and/or consideration has been or will be made to Olsen Security Corporation or to persons related to or having an identity of interest with Olsen Securities Corporation;

I) Receipt of a written confirmation from OCD and First NBC CD, L.L.C. that the original default triggering the change in general partner has been cured or waived ; and,

J) Submission of a complete reprocessing application, including all financial and other documentation required as though the reprocessing was an original tax credit application and receipt thereafter of a report from Foley & Judell indicating that the project remains feasible and viable.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Commissioners of the Louisiana Housing Finance Agency (the "Board"), acting as the governing authority of said Agency that:

**SECTION 1.** Staff's recommendation to conditionally allow the replacement of Olsen Securities Corporation as the General Partner by The Meadows Partnership II, L.L.C. is hereby approved subject to all of the conditions enumerated in the preamble hereto which is hereby incorporated by reference hereto being satisfied.

**SECTION 2.** The placed in service date is extended until December 31, 2010.

**SECTION 3.** The LHFA staff and counsel are authorized and directed to prepare such documents and agreements as may be necessary to implement the Board's actions.

**SECTION 4.** The Chairman, Vice-Chairman, President, Vice-President, and or Secretary of the LHFA be hereby authorized, empowered and directed to execute any forms and or documents required to be executed on behalf of and in the name of the LHFA, the terms of which are to be consistent with the provisions of this resolution as approved by the LHFA counsel.

This resolution having been submitted to a vote, the vote thereon was as follows:

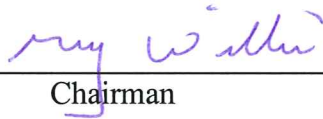
**YEAS:** Donald B. Vallee, John N. Kennedy, Guy T. Williams,  
Mayson H. Foster, Michael L. Airhart, Tyrone A. Wilson,  
Katie Anderson, Jerome Boykin, Sr., Elsenia Young

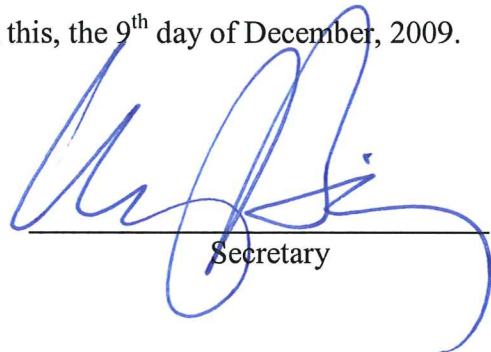
**NAYS:**

**ABSTAIN:**

**ABSENT:** Allison A. Jones, J. Mark Madderra, Susan Sonnier, Walter  
O. Guillory, Joseph M. Scontrino, III, Neal P. Miller

And the resolution was declared adopted on this, the 9<sup>th</sup> day of December, 2009.

  
Chairman

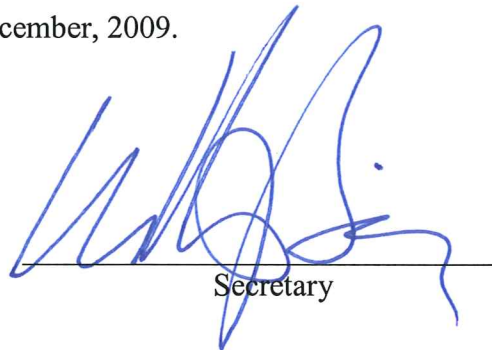
  
Secretary

**STATE OF LOUISIANA**

**PARISH OF EAST BATON ROUGE**

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency (the "Board"), do hereby certify that the foregoing four (4) pages constitute a true and correct copy of a resolution adopted by said Board on December 9, 2009 captioned, "A resolution conditionally authorizing the removal of the General Partner, Olsen Securities Corporation, (OSC), from The Meadows, #07/08(FA)-37, (Intersection of McNeese & 5<sup>th</sup> Avenue, Lake Charles, Louisiana 70606) as stipulated in the 2006 and 2007/2008 forward allocation GO-Zone QAP by Louisiana Housing Finance Agency with respect to project's submitting a request for such removal of the managing General Partnership, extending the placed in service date, and providing for other matters in connection therewith."

**IN FAITH WHEREOF**, witness my official signature and the impress of the official seal of the LHFA on this, the 9<sup>th</sup> day of December, 2009.



Secretary

(SEAL)